

Division of Internal Audit



Request for Proposal

SOC 1 Audit

RFP # 1506-2021 001

July 21, 2021

This document is the property of the City of Cleveland, Division of Internal Audit. It contains proprietary information about the Division's business and must be treated confidentially.

Proposal Due Date Summary

Proposal Due Date: August 9, 2021 4:00pm EST

Planned Award Date: September, 2021

Submit: One (1) electronic file containing the Proposal and any supporting documentation in “PDF” format. Submitted via email.

One (1) separate electronic file containing Cost Proposal submitted via email.

Submit Proposal to: Melissa Sui
Deputy Auditor
City of Cleveland
Division of Internal Audit
Department of Finance
216-664-2290
MSui@city.cleveland.oh.us

General Information

Executive Summary

The City of Cleveland, Division of Internal Audit (DIA) is issuing a Request for Proposal (RFP) to solicit qualified vendor proposals for two separate Reports on Controls at a Service Organization Relevant to User Entities' Internal Control over Financial Reporting (SOC 1). These separate SOC1 reports relate to the City of Cleveland (City)'s Division of Water (DOW) and Division of Taxation (CCA)'s business process and information systems and the management's description and the suitability of the design and operating effectiveness of the controls in place for 2021, prepared in accordance with Statement on Standards for Attestation Engagements (SSAE) No. 18 for the SOC1 reports.

Questions

Any questions regarding this Request for Proposal (RFP), or the contract to be awarded, should be submitted via email no later than July 30, 2021 by 4:00pm EST to Melissa Sui, Deputy Auditor, msui@city.cleveland.oh.us. "SOC 1 Audit RFP" must be noted in the subject line of the email. Written responses for all submitted questions will be forwarded to all vendors.

Respondent's Obligations

Each respondent agrees to do the following:

- Keep its proposal open for acceptance and in full effect for at least ninety (90) calendar days from the proposal due date.
- Answer additional questions when requested by the City.
- Be prepared to immediately begin contract negotiations if selected by the City.
- Refrain from making any news releases regarding this request for proposal and subsequent contract without the prior written approval of the City.

Minimum Qualifications

To be considered for award of this contract, the vendor must be an established independent certified public accounting firm (Firm). The Firm must have:

- In-house qualified expertise and staff to perform the required engagement to produce the SOC1 reports.
- At least three years' experience with conducting a SOC1 audit and associated report.

City's Rights

Each respondent acknowledges the following:

- The City may reject any proposal that is incomplete and may reject all proposals.
- The City may request additional information or more detailed information from any respondent at any time. This includes information that the respondent inadvertently omitted.
- The City may request that some or all of the respondents modify any provision in their proposal.

- The City may accept or reject any or all of the items in any proposal and may award the contract in whole or in part or may make multiple awards.
- During the proposal evaluation process, the City will not individually disclose any details of the status of the evaluation to any respondent.

Accepting Terms & Conditions of this Request for Proposal

The respondent, by submitting a proposal, acknowledges and agrees to all terms and conditions contained in this RFP, including but not limited to, the rights reserved by the City.

Non-Binding

This RFP does not commit the City to award a contract. The City may disclose any response by any respondent.

Background

I. Central Collection Agency (CCA):

- CCA utilizes the Municipal Income Tax Information System (MITIS) to process transactions. Sub-service organizations are utilized to support the MITIS system. CCA also uses multiple subservice organizations for some of its transaction processing, including the lockbox services for receipt and deposit of some tax payments. CCA also utilizes a vendor for the processing, verification, and collection services for electronic payments and OBG (Ohio Business Gateway) for electronic payment and withholding tax filing. In addition, CCA has contracted with a vendor, to provide application and technical support for the income tax application and CCA network. The IT vendor has subcontracted the work to manage web application hosting services for the eFile portion of CCA's income tax application. CCA also uses Sybase for Database support and Oracle Inc. for the support of the Solaris operating system.
- The CCA is an agency of the City of Cleveland which provides a full range of tax collection services for 78-member municipalities throughout 36 Ohio counties. The tax collection services include: maintaining completed returns received, processing payments, billing taxes due, assessing penalties and interest, issuing refunds, mailing delinquency notices, preparing court cases and distributing the taxes collected to the municipalities. The only function not performed by the CCA for their member municipalities, with the exception of the City of Cleveland, is the filing of court cases against delinquent taxpayers.
 - Information systems support - Information Systems Support ("ISS") is supported by 5 individuals, who are consultants. The ISS staff is responsible for the maintenance and security of CCA's computer system. The system consists of internal hardware and software, a website, and an electronic tax filing system. To support these systems, the ISS team consists of IT professionals with various computer skills including programming, database administration, web development and data analysis.

II. Division of Water (CWD):

- DOW utilizes Customer Care & Billing” (“CC&B”) System for processing of transactions for its users. DOW uses multiple subservice organizations for some of its transaction processing, including banks and other entities that perform agency functions for the receipt of utility payments, and support of the CC&B system. A bank provides lockbox services for the receipt of customer payments. Vendors manage the DOW I.T. infrastructure, provide application and technical support, communication services for the meter reading system, on-line payment processing and support, bill print and mailing services and support, and software and equipment support for check processing.
- The DOW services the City of Cleveland and 69 surrounding communities, seven master meter communities, and three emergency standby communities. They provide water to approximately 433,000 city and suburban accounts in the Cleveland metropolitan area. They also sell water to master meter communities that operate their own distribution systems, and they provide billing and payment services for the Northeast Ohio Regional Sewer District (“NEORS”) and other communities.
- During 2020, the DOW provided services to approximately 118,000 accounts located within Cleveland and approximately 315,000 accounts located in direct service communities. Water provided to each master meter community is metered at each community’s boundary.

The City’s general IT controls and control objectives are listed below:

General Controls	Control Objectives
Control Environment	Control activities provide reasonable assurance that discipline and structure are an integral part of the organization and influence the control consciousness of its personnel.
Physical Security	Control activities provide reasonable assurance that business premises and information systems are protected from unauthorized access, damage and interference.
Environmental Security	Control activities provide reasonable assurance that critical information technology infrastructure is protected from certain environmental threats.
Information Security	Control activities provide reasonable assurance that system information, once entered into the system, is protected from unauthorized or unintentional use, modification, addition or deletion
Computer Operations	Control activities provide reasonable assurance of timely system backups of critical files, off-site backup storage, and regular off-site rotation of backup file; Control activities provide reasonable assurance that systems are maintained in a manner that helps ensure system availability.
Application Change Control	Control activities provide reasonable assurance that unauthorized changes are not made to production application systems.
Data Communications	Control activities provide reasonable assurance that data maintains its integrity and security as it is transmitted between third parties and the service organization.

Scope of Services

The City is seeking proposals from qualified firms to provide the Division of Internal Audit with SOC 1 audit services to:

- Identify and examine the City's Division of Water and Division of Taxation's information systems and business processes, and the design and operating effectiveness of the controls for processing financial information and transactions over financial reporting ("SOC 1 Type 2").
- Identify and examine internal controls over the City's subservice organizations within each division.
- Perform and document relevant risk assessments.
- Document and evaluate relevant internal controls.
- Provide audit recommendations according to audit findings and industry best practices in each report.

The proposal should include a detailed costs schedule with:

- Staff hourly rate and estimated hours
- Estimated travel expenditures if applicable
- Estimated total costs

Completion of All Services

All services resulting from this proposal shall be completed and SOC1 reports issued by **February 28, 2022**. Any additional services and specific requests from the City shall be completed within sixty (60) days of the request.

Transfer of Records

The respondent shall be responsible for maintaining a complete audit library and master files of all work papers. All work papers are to be transferable in an electronic format.

All records (graphics originals, calculations, electronic files including model input and output files, etc.) collected and generated by the audit shall be the property of the City and shall be turned over to the City upon completion by the selected service providers as directed. These records shall be in a form and format such that the City can continue to use and expand on the work product provided in the engagement.

All deliverables produced during the engagement are for the sole use of the City's management.

Time Table (Tentative)

CRC approval	July 21, 2021
Distribution of RFP	July 21, 2021
Pre-Proposal Conference	July 28, 2021 at 2PM EST via WebEx
Questions regarding the RFP due	July 30, 2021 by 4PM EST
Proposal submission	August 9, 2021 by 4PM EST
Interviews with selected firms	TBD if necessary
Final selection	August, 2021
Completion of project	February 28, 2022

Proposal Requirements and Format

Proposal Requirements

A proposal must be received by:

Melissa Sui
Deputy Auditor
City of Cleveland
Division of Internal Audit/Department of Finance
msui@city.cleveland.oh.us

no later than **August 9, 2021** 4:00pm EST. The proposal and any other documents submitted to the City shall belong to the City, and the City may use them at its sole discretion.

Completion of Office of Equal Opportunity Forms (Notice to Bidders and Schedules)

Each respondent must complete the Office of Equal Opportunity schedules attached hereto and return the completed schedules with the original proposal.

Proposal Format:

To be considered in the evaluation process all Vendor responses must be written and comply with the numbering structure detailed below:

I. Management Letter

Include a letter outlining the contents of the response. A statement of commitment and an indication of the level of involvement of the Vendor should also be included in this section. An authorized representative of the Vendor must sign the cover letter to validate the contents of the response. All information contained within the response may be part of the final contract.

II. Scope of Services

The proposal should clearly describe the scope of services to be provided. In preparing proposals, respondents are encouraged to expand or elaborate in a manner that reflects their understanding of the project and demonstrates their expertise and ability to perform all elements of the proposed scope of services.

III. Disclosure

The proposal should indicate whether or not the respondent has contracted with the City of Cleveland in the last two (2) years and, in the event the respondent has contracted with the City of Cleveland in the last two (2) years, the proposal should describe the scope of services provided to the City and the date services were completed.

IV. Fee Proposal

The vendor is required to provide itemized costs for required services.

The fee proposal should be detailed for all costs including following itemized items:

- Staff hourly rate and estimated hours
- Estimated travel expenditures, if applicable
- Estimated total costs

V. Staff and Profile

The proposal should state whether your organization is local, national, or international, and should identify the office where the work will be done. The proposal must also identify the following information:

- All responsible partners, managers, and staff members who will work on this project.
- The relationship, roles and responsibilities of each staff member who will work on this project, including organizational chart.
- The primary contact person for the proposal.
- Subcontractors, if any, that will be providing services and the staff profile of such subcontractors.
- Qualifications and experiences of the vendor.

VI. Projects Experience

The proposal should describe experiences in performing for governmental agencies and private entities and include the following information:

- The Client's name.
- Names of any subcontractors.
- Specific services provided.
- Dates of service.
- A detailed work plan describing approach and major milestones.
- The methodology to be used and expected results.
- The proposed time schedule for completion.
- References, including name, address, telephone number, and e-mail address.

VII. Contractual History

The proposal should list the following:

- Any experience in which the respondent failed to successfully complete a contract in the last five (5) years.
- Any contractual arrangements that were canceled, not renewed, or renegotiated in the last five (5) years.
- Any legal action brought against the respondent in the last three (3) years.

VIII. Cost Proposal

All costs shall be submitted in a separate file when submitting the proposal. Travel and expenses must be listed separately and all travel related expenses must be supported by their organization's travel policy. Provide pricing for the base year, and option or maintenance periods. The Vendor must immediately notify the City if the projected costs of performance of additional requested tasks would cause the budgeted contract amount to be exceeded. The

Vendor is not authorized to exceed the budgeted contract amount unless or until a contract modification has been issued.

The City agrees to pay the Vendor in accordance with their submitted proposal, with a not-to-exceed (NTE) contract budgeted amount for services performed in accordance with this RFP. Payment will be processed only for services actually provided, not for any service proposed but not provided or for any service scheduled but subsequently cancelled.

The Cost portion of the proposal shall be submitted in a clearly labeled, SEPARATE electronic file from the remainder of the proposal. The electronic copy with cost information are required for submission via email.

IX. Contract Compliance Forms

Respondents must review, complete, sign, and submit all of the City of Cleveland Contract Compliance Forms listed in the section titled “Attachment “C”. These forms can be found under the “Forms” link in the Vendor Services section of the City’s website.

One original, signed copy of the responses to “Contract Compliance Forms” must be provided with the original, signed proposal. Vendors are not required to provide additional copies of the forms with additional copies of their proposals.

X. Additional Information

The proposal may also include any additional information that may be helpful and relevant.

Proposal Selection / Agreement Process

Selection Process

The Firm whose proposal is found to be the “Most Advantageous”, taking into consideration the evaluation factors set forth below, will receive the award. Several criteria may be used to evaluate these proposals. The following are some of the criteria to be used, although not all inclusive and not necessarily listed in the order of importance.

- Quality, thoroughness and clarity of proposal.
- How well the submitted package meets the City’s needs.
- Qualifications, capabilities, and experience of the firm.
- Vendor references.
- Advantages and disadvantages to the City, which could result from the proposal, including meeting report deadlines.
- Implementation strategy, project management, and commitment to a successful project completed on time.
- Equal opportunity, MBE/FBE factors.
- Price. (Including the cost structure proposed by the Vendor.)
- Additional evaluation criteria as determined by the evaluation team.

At any time, the City reserves the right to ask for additional information and clarification from or about any or all Vendors submitting proposals. The City of Cleveland also reserves the right to select any vendor, for any reason, at any time.

The City will first review, rate and rank each proposal response to establish a "shortlist" of finalists for further review and consideration. Vendors selected as finalists may be required to:

- Provide contact names of at least four (4) Vendor clients (one of which must be a municipality other than a Department/Division of the City of Cleveland).
- Present an oral presentation to the evaluation team (for which no cost shall be incurred by the City).

The City reserves the right to subjectively evaluate the proposals received, based on any additional criteria it determines as relevant. All proposals received in response to this request must remain valid for at least 90 days following the date of submission. A statement indicating the period of time for which the Vendor agrees to be bound by their proposal should be included in the submitted document.

Agreement Process

The Vendor whose proposal is found to be the “Most Advantageous” to the City will be selected and offered the opportunity to enter into an Agreement with the City. The scope, terms and conditions of that Agreement shall be in conformance with the terms, conditions and specifications described in this RFP, and the proposal submitted by the Vendor shall become part of the Agreement with the City.

The selected Vendor must be prepared to begin contract negotiations immediately upon notification of selection. If the Vendor is not able to begin contract negotiations, the City may disqualify the Vendor. The City reserves the right to negotiate the contract to include any portion or portions of the proposal.

The City shall not be responsible for any Vendor costs incurred in relation to preparation of the proposal, travel to any meetings, or any other Vendor costs associated with proposal preparation.

The City of Cleveland's Law Department will prepare the contract. Vendor responses must identify a designated Contact Person authorized to negotiate the final terms and conditions with the Law Department. It should be noted that the Law Department uses City of Cleveland prepared contract forms and not standard Vendor contract forms.

Terms and Conditions

The following terms and conditions, substantially in the form contained herein, shall be included in the agreement between the City and the successful respondent. Please carefully review these terms and conditions. No specific response to this section is required.

Term

The term of this Agreement shall begin on the effective date of this Agreement and, unless sooner canceled in accordance with the terms of the Agreement, shall terminate upon completion of and approval by the City of all work to be performed.

This Agreement may be extended for four (4) additional years, thru one (1) year renewal options, following the expiration of the initial contract term.

Cancellation

This agreement may be canceled by the City at any time upon written notice to the Consultant.

Independent Contractor

Consultant and the City agree that Consultant is an independent contractor and not an employee of the City and further agrees that Consultant shall be considered as such for all purposes. As such Consultants shall retain sole financial responsibility for all taxes due to federal, state or local governments or agencies on account of themselves, their employees, representatives or agents.

Equal Opportunity, MBE/FBE

The Consultant shall comply with all terms, conditions, and requirements imposed on a “Contractor” in the *Equal Opportunity Clause*, Section 187.22(b) of the Cleveland Codified Ordinances, (Appendix F) and shall make the Clause part of every subcontract or agreement entered into for services or goods and binding on all persons and firms with which the proposer may deal, as follows: No Contractor shall discriminate against any employee or applicant for employment because of race, religion, color, sex, sexual orientation, national origin, age, disability, ethnic group or Vietnam-era or disabled veteran status. Contractors shall take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to race, religion, color, sex, sexual orientation, national origin, age, disability, ethnic group or Vietnam-era or disabled veteran status. As used in this chapter, “treated” means and includes without limitation the following: recruited whether by advertising or other means; compensated, whether in the form of rates of pay or other forms of compensation; selected for training, including apprenticeship, promoted, upgraded, demoted, transferred, laid off and terminated. Contractors shall post in conspicuous places available to employees and applicants for employment, notices to be provided by the hiring representative of Contractors setting forth the provisions of this nondiscrimination clause.

A copy of this Clause shall be made a part of every subcontract or agreement entered into for goods or services, and shall be binding on all persons, firms, and corporations with whom the Contractor may deal.

Within 60 calendar days after entering into a contract, the successful Proposer, as Contractor, shall file a written affirmative action program with the OEO containing standards and procedures and representations assuring that the Contractor affords all qualified employees and applicants for employment equal opportunities in the Contractor’s recruitment, selection, and advancement processes. The forms can be found at:

http://www.city.cleveland.oh.us/business_center/forms/business_forms.asp

Cleveland Area Business Code

During performance of this contract, Consultant shall comply with any and all applicable requirements of the *Cleveland Area Business Code*, Chapter 187 and 187a, of the Codified Ordinances of Cleveland, Ohio, 1976 (“C.O.”), and any *Regulations* promulgated under the *Code*, which *Code* and *Regulations* are incorporated into and made part of this RFP by this reference as fully as if rewritten in it or attached. There is no subcontractor participation goal for this contract.

Subcontracts and Assignments

Consultant shall not subcontract nor shall any subcontractor commence performance of any part of the work or services included in this Agreement without the prior written consent of the City. Subcontracting, if permitted, shall not relieve Consultant of any of its obligations under this Agreement.

Consultant shall be and remain solely responsible to the City for the acts or faults of any such subcontractor and of such subcontractor's officers, agents and employees, each of whom shall for this purpose, be deemed to be an agent or employee of Consultant to the extent of its subcontract. Consultant and any subcontractor shall jointly and severally agree that the City of Cleveland is not obligated to pay or to be liable for the payment of any sums due to any subcontractor.

Assignment

Consultant shall not assign any interest in this Agreement, and shall not transfer any interest in the same, whether by assignment or notation, without the prior written consent of the City.

Confidentiality

In rendering the Services to be performed pursuant to this Agreement, Consultant agrees to treat and maintain confidential information and data as the City’s confidential property and from the date hereof, and agrees not to divulge it to any third party at any time or use it for Consultant’s personal benefit or otherwise, except as such use or disclosure may be required in connection with the performance of the Services or may be consented to, in writing by the City.

Compliance with Laws and Policies

This Agreement is subject to, and Consultant shall comply with, all statutes, ordinances, regulations and rules of the Federal government, the State of Ohio, the County of Cuyahoga, and the City of Cleveland.

Indemnification and Insurance

Consultant shall indemnify and hold harmless the City and its respective officers, agents and employees from and against all losses, damages, expenses, suits or claims, liabilities and costs, including reasonable attorney's fees, that may be based upon any negligent error or omission by Consultant or any injury to persons or property arising out of an error, omission or negligent act of Consultant or its sub-consultant. Consultant shall, at its own expense, defend the City in all litigation, pay all attorney's fees, damages, court costs and other expenses arising out of such litigation or claims incurred in connection therewith and shall, at its own expense, pay all claims and related expenses and satisfy and cause to be discharged such judgments as may be obtained against the City, or any of its officers, agents or employees, arising out of such litigation. Such indemnification shall survive the termination of this Agreement.

State Industrial Compensation

Consultant shall be required at all times during the term of this Agreement, if required by law, to subscribe to and comply with the Workers' Compensation Laws of the State of Ohio and pay such premiums as may be required thereunder and to save the City harmless from any and all liability from or under said act. Consultant shall also furnish, if applicable, upon the request of the City, a copy of the official certificate or receipt showing the payments referred to herein.

Social Security Act

Consultant shall be and remain an independent contractor with respect to all services performed hereunder and agrees to and does hereby accept full and exclusive liability for the payment of any and all contributions or taxes for social security, unemployment benefits, pensions and annuities now or hereafter imposed under any state or federal laws which are measured by the wages, salaries or other remuneration paid to persons employed by Consultant on work performed under the terms of this Agreement and further agrees to obey all lawful rules and regulations and to meet all lawful requirements which are now or hereafter may be issued or promulgated under said respective laws by any duly authorized state or federal officials and said Consultant also agrees to indemnify and save harmless the City of Cleveland from any such contributions or taxes or liability therefore.

Interest of Consultant

Consultant covenants that it has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. Consultant further covenants that no person having any such interest shall be employed in the performance of this Agreement.

Defaults and Remedies

- A. Consultant shall be in default of this Agreement upon the happening of any of the following events:
1. Consultant fails to observe or perform any of the covenants or agreements to be observed or performed by it hereunder and such failure continues for a period of five (5) days after written notice thereof is given to the Consultant by the City.
 2. The filing, execution or occurrence of: (i) a petition or other proceeding by, or a finding against, Consultant for its dissolution, reorganization or liquidation; (ii) a petition in bankruptcy by Consultant; (iii) an adjudication of Consultant as bankrupt or insolvent; (iv) an assignment or petition for assignment for the benefit of creditors.
 3. Consultant abandons or discontinues its operations for the City except when such abandonment or discontinuance is caused by fire, earthquake, war, strike or other calamity beyond its control.

- B. Upon the happening of any one or more of the events as set forth in Paragraph A of this Article, or upon any other default or breach of this Agreement, the Finance Director may, at her option, exercise concurrently or successively any one or more of the following rights and remedies:
1. Enjoin any breach or threatened breach by Consultant of any covenants, agreements, terms provisions or conditions hereof.
 2. Sue for the performance of any obligation, promise or agreement devolving upon Consultant for performance or for damages for the nonperformance thereof, all without terminating this Agreement.
 3. Terminate this Agreement.
- C. All rights and remedies granted to the City herein and any other rights and remedies that the City may have at law and in equity are hereby declared to be cumulative and not exclusive and the fact that the City may have exercised any remedy without terminating this Agreement shall not impair the City's rights thereafter to terminate or to exercise any other remedy herein granted or to which it may be otherwise entitled.

Equal Opportunity Requirements. During performance of this Agreement, Contractor shall comply with all applicable requirements of the *Cleveland Area Business Code*, Chapter 187 of the Codified Ordinances of Cleveland, Ohio, 1976 (“C.O.”), and any *Regulations* promulgated under the *Code*, which *Code* and *Regulations* are incorporated into and made part of this RFP by this reference as fully as if rewritten in it or attached. Specifically, compliance under any resulting agreement shall include, but not be limited to, the Contractor’s:

- Compliance with its proposal representations regarding CSB, MBE, and/or FBE participation in performance of the Agreement;
- Compliance and cooperation with Project Monitors, whether from the Mayor’s Office of Equal Opportunity (the “OEO”) or the contracting department;
- Accurate, complete, and on-time submission of all reports, forms, and documents including, but not limited to, employment reports, certified payrolls, monitoring forms, and other information the Director of the OEO may require, whether in printed or electronic form, to ascertain and verify Contractor’s compliance; and
- Attendance at and participation in all required project meetings, including OEO compliance meetings, and progress meetings called by the contracting department director(s) at key intervals during performance of the contract services (e.g. 25% completion, 50% completion, 75% completion).

- Failure to Comply. When determining the contractor’s future eligibility for a City contract, the City shall consider a contractor’s failure to comply with the representations of its proposal and the requirements under the *Code* as a failure to faithfully perform a contract.
 - a. Under the *Cleveland Area Business Code*, the City of Cleveland is firmly committed to assisting Minority Business Enterprises (MBEs), Female Business Enterprises (FBEs), and Cleveland- area small businesses (CSBs) by providing and enhancing economic opportunities to participate in City contracts. The successful proposer for a contract will be a firm that shares that commitment. Accordingly, a proposer is strongly encouraged to utilize the services of qualified MBE/FBE/CSB sub consultants that are certified by the Mayor’s Office of Equal Opportunity (the “OEO”) in its proposal.
 - b. The standard subcontracting goal for professional services contracts is 10% Cleveland Area Small Business (“CSB”) subcontractor participation. Please review the attached Office of Equal Opportunity documents to ascertain the goal for the proposed contract. Proposers are required to make a good-faith effort to subcontract portions of the work to certified Minority Business Enterprise (“MBE”), Female Business Enterprise (“FBE”), and CSB firms, consistent with the subcontracting goal(s) applicable to this RFP.
 - c. To document its good-faith effort to utilize certified MBE, FBE and CSB sub consultants, each proposer must complete Schedules 1 through 4 found in the *Cleveland Area Business Code - Notice to Bidders and Schedules*. These schedules identify the Proposer’s proposed use of MBE, FBE and CSB sub-consultants on the project, which evidences the proposer’s good-faith effort to obtain the participation of certified sub-consultants. The Proposer shall submit the completed forms with its proposal and they will be forwarded to the City’s Office of Equal Opportunity for evaluation. Failure to submit complete schedules may result in the rejection of a proposal
 - d. Proposers may obtain a listing of firms certified by the OEO as CSBs, MBEs and FBEs by checking the City’s website at <http://www.city.cleveland.oh.us>. On the home page, select “Office of Equal Opportunity” from the drop-down menu of City departments. On the Office of Equal Opportunity page, you will find a selection in the left-hand column for “CSB/MBE/FBE Registry”.

Proposers are responsible for obtaining the most current list and for contacting potential CSB/MBE/FBE sub consultants. The City assumes no responsibility for matching prime consultants with qualified, certified MBE, FBE, and/or CSB sub-consultants.

The City Office of Equal Opportunity will monitor participation of MBE, FBE, and/or CSB sub-consultants throughout the duration of the engagement or project. The successful proposer, as contractor, will be responsible for providing the OEO with all information necessary to facilitate this monitoring.

The *Cleveland Area Business Code*, any *Regulations* promulgated under the *Code*, and the *OEO Notice to Bidders & Schedules* are, by this reference, incorporated in and made part of this solicitation and any resulting contract as fully as if written in it or attached.

- e. The successful proposer, as contractor, will be required to comply with all terms, conditions, and requirements imposed on a “contractor” in the following *Equal Opportunity Clause*, Section 187.22(b) of the Cleveland Codified Ordinances, and shall make the Clause part of every subcontract or agreement entered into for services or goods and binding on all persons and firms with which the proposer may deal, as follows: No Contractor shall discriminate against any employee or applicant for employment because of race, religion, color, sex, sexual orientation, national origin, age, disability, ethnic group or Vietnam-era or disabled veteran status. Contractors shall take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to race, religion, color, sex, sexual orientation, national origin, age, disability, ethnic group or Vietnam-era or disabled veteran status. As used in this chapter, “treated” means and includes without limitation the following: recruited whether by advertising or other means; compensated, whether in the form of rates of pay or other forms of compensation; selected for training, including apprenticeship, promoted, upgraded, demoted, transferred, laid off and terminated. Contractors shall post in conspicuous places available to employees and applicants for employment, notices to be provided by the hiring representative of contractors setting forth the provisions of this nondiscrimination clause.
- f. Within 60 calendar days after entering into a contract, the successful Proposer, as Contractor, shall file a written affirmative action program with the OEO containing standards and procedures and representations assuring that the Contractor affords all qualified employees and applicants for employment equal opportunities in the Contractor’s recruitment, selection, and advancement processes.

Construction of Agreement:

- A. The validity, interpretation, construction and performance of this Agreement shall be in accordance with the laws of the State of Ohio.
- B. This Agreement and the agreement between the City of Cleveland sets forth the entire understanding of the parties and supersedes any and all prior agreements, arrangements and understandings, oral or written, of any nature whatsoever between the parties regarding the subject matter hereof. The waiver of any breach of any term of this Agreement does not waive any subsequent breach of that or any other term of this Agreement.
- C. No modifications or amendments to this Agreement will be valid unless in writing and signed by each of the parties hereto.
- D. All terms and words used in this Agreement, regardless of the number and gender in which they are used, shall be deemed and construed to include any other number, singular or plural, and any other gender, masculine or feminine or neuter, as the context or sense of this Agreement or any paragraph or clause herein may require, the same as if such words have been fully and properly written in the number and gender.
- E. Consultant agrees that no representation or warranties of any type shall be binding upon the City, unless expressly authorized in writing herein.
- F. The headings of sections and paragraphs to the extent used herein are used for reference only, and in no way define, limit or describe the scope or intent of any provisions hereof.
- G. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered, shall be deemed an original, but such counterparts together shall constitute one and the same instrument.
- H. The following documents attached hereto are hereby incorporated with and made a part of this Agreement:
 - 1. Attachment "A", Equal Opportunity Clause.
 - 2. Attachment "B", Definitions.
 - 3. Attachment "C", Forms.
 - 4. Attachment "D", Proposal Checklist.

Attachment “A”

EQUAL OPPORTUNITY CLAUSE (Section 187.22(b) C.O.)

Each Contract also shall contain the following equal opportunity clause:

“During the performance of this contract, the contractor agrees as follows:

- (1) The contractor shall not discriminate against any employee or applicant for employment because of race, religion, color, sex, sexual orientation, national origin, age, disability, ethnic group or Vietnam-era or disabled veteran status. The contractor shall take affirmative action to insure that applicants are employed and that employees are treated during employment without regard to race, religion, color, sex, sexual orientation, national origin, age, disability, ethnic group, or Vietnam-era or disabled veteran status. As used in this chapter, "treated" means and includes without limitation the following: recruited, whether by advertising or other means; compensated, whether in the form of rates of pay or other forms of compensation; selected for training, including apprenticeship, promoted, upgraded, demoted, downgraded, transferred, laid off and terminated. The contractor agrees to and shall post in conspicuous places, available to employees and applicants for employment, notices to be provided by the hiring representatives of the contractor setting forth the provisions of this nondiscrimination clause.
- (2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that the contractor is an equal opportunity employer.
- (3) The contractor shall send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract, or understanding, a notice advising the labor union or worker's representative of the contractor's commitments under the equal opportunity clause, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- (4) It is the policy of the City that local businesses, minority-owned businesses and female-owned businesses shall have every practicable opportunity to participate in the performance of contracts awarded by the City subject to the applicable provisions of the Cleveland Area Business Code.
- (5) The contractor shall permit access by the Director or his or her designated representative to any relevant and pertinent reports and documents to verify compliance with the Cleveland Area Business Code, and with the Regulations. All such materials provided to the Director or designee by the contractor shall be considered confidential.
- (6) The contractor will not obstruct or hinder the Director or designee in the fulfillment of the duties and responsibilities imposed by the Cleveland Area Business Code.
- (7) The contractor agrees that each subcontract will include this Equal Opportunity Clause, and the contractor will notify each subcontractor, material supplier and supplier that the subcontractor must agree to comply with and be subject to all applicable provisions of the Cleveland Area Business Code. The contractor shall take any appropriate action with respect to any subcontractor as a means of enforcing the provisions of the Code.”

Attachment “B”

Definitions per A-87:

1. "Approval or authorization of the awarding or cognizant Federal agency" means documentation evidencing consent prior to incurring a specific cost. If such costs are specifically identified in a Federal award document, approval of the document constitutes approval of the costs. If the costs are covered by a State/local-wide cost allocation plan or an indirect cost proposal, approval of the plan constitutes the approval.
2. "Award" means grants, cost reimbursement contracts and other agreements between a State, local and Indian tribal government and the Federal Government.
3. "Awarding agency" means (a) with respect to a grant, cooperative agreement, or cost reimbursement contract, the Federal agency, and (b) with respect to a sub-award, the party that awarded the sub-award.
4. "Central service cost allocation plan" means the documentation identifying, accumulating, and allocating or developing billing rates based on the allowable costs of services provided by a governmental unit on a centralized basis to its departments and agencies. The costs of these services may be allocated or billed to users.
5. "Claim" means a written demand or written assertion by the governmental unit or grantor seeking, as a matter of right, the payment of money in a sum certain, the adjustment or interpretation of award terms, or other relief arising under or relating to the award. A voucher, invoice or other routine request for payment that is not a dispute when submitted is not a claim. Appeals, such as those filed by a governmental unit in response to questioned audit costs, are not considered claims until a final management decision is made by the Federal awarding agency.
6. "Cognizant agency" means the Federal agency responsible for reviewing, negotiating, and approving cost allocation plans or indirect cost proposals developed under this Circular on behalf of all Federal agencies. OMB publishes a listing of cognizant agencies.
7. "Common Rule" means the "Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments. Final Rule" originally issued at 53 FR 8034-8103 (March 11, 1988). Other common rules will be referred to by their specific titles.
8. "Contract" means a mutually binding legal relationship obligating the seller to furnish the supplies or services (including construction) and the buyer to pay for them. It includes all types of commitments that obligate the government to an expenditure of appropriated funds and that, except as otherwise authorized, are in writing. In addition to bilateral instruments, contracts include (but are not limited to): awards and notices of awards, job orders or task orders issued under basic ordering agreements, letter contracts, purchase orders, under which the contract becomes effective by written acceptance or performance, and, bilateral contract modifications.
9. "Cost" means an amount as determined on a cash, accrual, or other basis acceptable to the Federal awarding or cognizant agency.
10. "Governmental unit" means the entire State, local, or federally-recognized Indian tribal government, including any component thereof.

11. "Grantee department or agency" means the component of a State, local, or federally-recognized Indian tribal government which is responsible for the performance or administration of all or some part of a Federal award.
12. "Indirect cost rate proposal" means the documentation prepared by a governmental unit or component thereof to substantiate its request for the establishment of an indirect cost rate as described in Attachment E of the OMB Circular A-87. Indirect costs are those: (a) incurred for a common or joint purpose benefiting more than one cost objective, and (b) not readily assignable to the cost objectives specifically benefited, without effort disproportionate to the results achieved. The term "indirect costs," as used herein, applies to costs of this type originating in the grantee department, as well as those incurred by other departments in supplying goods, services, and facilities. To facilitate equitable distribution of indirect expenses to the cost objectives served, it may be necessary to establish a number of pools of indirect costs within a governmental unit department or in other agencies providing services to a governmental unit department. Indirect cost pools should be distributed to benefited cost objectives on bases that will produce an equitable result in consideration of relative benefits derived.
13. "Local government" means a county, municipality, city, town, township, local public authority, school district, special district, intrastate district, council of governments (whether or not incorporated as a non-profit corporation under State law), any other regional or interstate government entity, or any agency or instrumentality of a local government.
14. "Public assistance cost allocation plan" means a narrative description of the procedures that will be used in identifying, measuring and allocating all administrative costs to all of the programs administered or supervised by State public assistance agencies as described in Attachment D of this Circular.
15. "State" means any of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, any territory or possession of the United States, or any agency or instrumentality of a State exclusive of local governments.

OBM Circular A-87

http://www.whitehouse.gov/omb/circulars_a087_2004

Attachment “C”, Forms

- Federal Form W-9 including Taxpayer Identification Number;
- Non-Competitive Bid Contract Statement
- Northern Ireland Fair Labor Practices Affidavit

Requested By: _____



**NON-COMPETITIVE BID CONTRACT
STATEMENT FOR CALENDAR YEAR 2021
(ALL DEPARTMENTS/OFFICES)**

This statement, properly executed and containing all required information must be completed. **IF YOU FAIL TO COMPLY, YOUR PROPOSAL WILL NOT BE CONSIDERED.**

Entity Name: _____

Entity's Mailing Address: _____

COMPLETE SECTION I, II, OR III BELOW, WHICHEVER IS APPROPRIATE, AND SECTION IV.

NOTE: For purposes of this Statement, the "Mayor" and "Mayor's Committee" means Frank G. Jackson and the Frank G. Jackson For A Better Cleveland Committee, respectively.

SECTION I. TO BE COMPLETED BY NON-PROFIT CORPORATIONS AND GOVERNMENTAL ENTITIES.

If you are recognized by the IRS as a non-profit corporation or are a governmental entity, mark the appropriate designation below and proceed to the indicated section(s).

_____ NON-PROFIT CORPORATION **GO TO SECTIONS III and IV.**

_____ GOVERNMENTAL ENTITY **GO TO SECTION IV.**

SECTION II. TO BE COMPLETED BY INDIVIDUALS, SOLE PROPRIETORSHIPS, PARTNERSHIPS, INCORPORATED PROFESSIONAL ASSOCIATIONS, UNINCORPORATED ASSOCIATIONS, ESTATES AND TRUSTS.

The above-named entity is a (Please mark appropriate designation):

_____ SOLE PROPRIETORSHIP _____ TRUST

_____ INCORPORATED PROFESSIONAL ASSOCIATION _____ ESTATE

_____ UNINCORPORATED ASSOCIATION _____ PARTNERSHIP

_____ LIMITED LIABILITY COMPANY _____ JOINT VENTURE

For purposes of Section II, a "principal" means an individual, an owner, a partner, a shareholder, a member, an administrator, an executor or trustee connected with the above-named entity, or the spouse of any of them.

PLEASE READ PARAGRAPHS (A) and (B) and mark the appropriate paragraph. If paragraph (B) is checked, the City of Cleveland is prohibited by Section 3517.13 of the Revised Code from awarding a non-competitively bid contract over \$500.00 to the entity during calendar year 2018 unless Council makes a direct award.

- ____ (A) NO ONE PRINCIPAL of the above named entity made one or more contributions to the Mayor or the Mayor's Committee between January 1, 2016 and December 31, 2017 that totaled in excess of \$1,000.00 per individual. (This paragraph also applies if no principal of the above-named entity made any contributions to the Mayor or the Mayor's Committee).
- ____ (B) ONE OR MORE PRINCIPALS of the above named entity made, as individual(s), one or more contributions to the Mayor or the Mayor's Committee between January 1, 2016 and December 31, 2017 that totaled in excess of \$1,000.00.

SECTION III. TO BE COMPLETED BY NON- PROFIT AND FOR-PROFIT CORPORATIONS AND BUSINESS TRUSTS.

____ NON-PROFIT CORPORATION ____ FOR-PROFIT CORPORATION

____ BUSINESS TRUST (OTHER THAN INCORPORATED PROFESSIONAL ASSOCIATIONS)

For purposes of Section III, a "principal" means an individual or an entity owning more than 20% of the corporation or business trust or the spouse of any such individual.

PLEASE READ PARAGRAPHS (A) (B) (C) and (D) and mark the appropriate paragraph. If paragraph (C) is checked, the City of Cleveland is prohibited by Section 3517.13 of the Revised Code from awarding a non-competitively bid contract over \$500.00 to the entity during calendar year 2018 unless Council makes a direct award. If paragraph (D) is checked, the City of Cleveland is prohibited by Section 3599.03 from awarding a contract to the non-profit corporation.

- ____ (A) NO INDIVIDUAL or entity owned more than 20% of the corporation or business trust between January 1, 2016 and December 31, 2017.
- ____ (B) NO PRINCIPAL of the above named entity made, as an individual, one or more contributions to the Mayor or the Mayor's Committee between January 1, 2016 and December 31, 2017 that totaled in excess of \$1,000.00. (This paragraph also applies if no principal of the above-named entity made any contributions to the Mayor or the Mayor's Committee).
- ____ (C) ONE OR MORE PRINCIPALS of the above named entity made one or more contributions to the Mayor or the Mayor's Committee between January 1, 2016 and December 31, 2017 that totaled in excess of \$1,000.00 individual.
- ____ (D) FUNDS OF THE NON-PROFIT CORPORATION were contributed to the Mayor or the Mayor's Committee at any time.

GO TO SECTION IV.

SECTION IV. TO BE COMPLETED BY <u>ALL</u> ENTITIES.
--

I do hereby state that I have legal authority to complete this statement on behalf of the above-named entity and to the best of my knowledge and belief the answers herein are true and complete.

Print Name	_____	Print Title	_____
Signature	_____	Date	_____
Telephone No.	_____		
	(Area Code)		

STATE OF _____)
COUNTY OF _____) SS:

Before me, a Notary Public in and for said County and State, personally appeared the above-named _____, who acknowledged that (he/she) did sign the foregoing statement and that the same is (his/her) free act deed, personally and as duly authorized representative of _____, and the free act and deed of the entity on whose behalf (he/she) signed.

Notary Public _____

Date _____

FOR MAYOR'S OFFICE USE ONLY

_____ ELIGIBLE _____

_____ INELIGIBLE _____

DATE _____

SUPPLEMENTAL NOTICE TO BIDDERS

Subject: Submission of NORTHERN IRELAND FAIR EMPLOYMENT PRACTICES DISCLOSURE

Each bidder and/or appropriate parties should complete the DISCLOSURE and submit it with the bid, if possible. If not submitted with the bid, it must be completed and submitted to the Commissioner of Purchases and Supplies prior to any contract being awarded by the City. If a bidder or appropriate parties fail to complete and submit it, they shall not be eligible for a contract award.

NORTHERN IRELAND FAIR EMPLOYMENT PRACTICES DISCLOSURE

INSTRUCTIONS: Pursuant to Codified Ordinance Sec. 181.36, the information requested on this page must be supplied by all Contractors and any Subcontractors having more than a fifty percent (50%) interest in the proposed contract prior to any contract being awarded by the City of Cleveland. Any Contractor or Subcontractor who is deemed to have made a false statement shall be declared to have acted in default of its contract and shall be subject to the remedies for default contained in its contract. For failure to cure such a default, the Contractor or Subcontractor shall be automatically excluded from bidding for the supply of any goods or services for use by the City for a period of two years.

CHECK WHICHEVER IS APPLICABLE:

A. () The undersigned or any controlling shareholder,* subsidiary, or parent corporation of the undersigned is NOT ENGAGED IN ANY BUSINESS OR TRADING FOR PROFIT IN NORTHERN IRELAND. (If paragraph A. is checked, proceed to the signature line.)

B. () The undersigned or any controlling shareholder,* subsidiary, or parent corporation IS ENGAGED IN ANY BUSINESS OR TRADING FOR PROFIT IN NORTHERN IRELAND. (If paragraph B. is checked, please either check the stipulation contained in paragraph C. or attach documentation that shows that the undersigned has complied with the stipulation contained in paragraph C.

C. () The undersigned and all enterprises identified in paragraph B. are TAKING LAWFUL AND GOOD FAITH STEPS TO ENGAGE IN FAIR EMPLOYMENT PRACTICES WHICH ARE RELEVANT TO THE STANDARDS EMBODIED IN THE "MacBRIDE PRINCIPALS FOR FAIR EMPLOYMENT IN NORTHERN IRELAND." A copy of the MacBride Principles can be obtained from the Office of the Commissioner of Purchases and Supplies. In lieu of checking this paragraph, the undersigned must attach documentation which the undersigned believes shows compliance with the stipulation contained in this paragraph C.

Name of Contractor or Subcontractor By:

Title:_____

*"Controlling shareholder" means any shareholder owning more than fifty percent (50%) of the stock in the corporation or more than twenty-five percent (25%) of the stock in the corporation if no other shareholder owns a larger share of stock in the corporation.

Attachment “D”, Proposal Checklist

Include this proposal checklist with your submission to ensure that you have completed all required portions of the proposal. Incomplete submissions may be disqualified.

Form / Description

Included?
(Y/N)

Page #

Vendor Management Letter

Vendor Background Information

Vendor Client References

Vendor Proposed Professional Services Scope

Vendor Response to Requirements

Vendor Cost Proposal (Submitted separately)

Relationships and Agreements

Completed Proposal Checklist

Federal Form W-9 including Taxpayer Identification Number

Non-Competitive Bid Contract Statement

Northern Ireland Fair Employment Practices Disclosure